

## UNNUMBERED LETTERS ISSUED FOR THE MONTH OF APRIL 2001

<b>Dated</b>	<b>Subject</b>	<b>Distribution</b>
04-05-01	Inter-Agency Agreement with the Farm Credit Administration Request for Information	S/D
04-06-01	Fiscal Year (FY) 2000 Management Control Review (MCR) of the Section 504 Loan/Grant Program	S/D
	Program Loan Cost Allocation Fiscal Year 2001 Business Programs	S/D
04-09-01	Administrative Budget Teleconference	S/D
	Administrative Budget Teleconference	N.O.Officials
	"Take Our Daughters To Work Day"	N.O.Employees
04-10-01	"Crossing the bridge to Self-Employment" A Federal Microenterprise Resource Guide	S/D
04-11-01	Separations from Rural Development in Calendar Year 2000	S/D
04-16-01	Workforce Recruitment Program for College Students with Disabilities	S/D
04-17-01	Use of Purchase Card Convenience Checks	S/D
04-30-01	Use of Intranet to Post Interest Rates	S/D

April 30, 2001

**SUBJECT:** Use of Intranet to Post Interest Rates

**TO:** Rural Development State Directors  
Rural Development Managers and Community  
Development Managers

Beginning May 1, 2001, the interest rates for all Rural Development loan programs found in RD instruction 440.1 Exhibit B will be posted on the Rural Development Intranet site. Currently, the rates are posted in the document library under each Agency heading. As of May 1, we will be posting all rates in a single location under the Administration Documents Library. It is our intention to post the rate by the first day of each month. We will continue to send an electronic unnumbered letter to the State Directors prior to the beginning of each month.

*(Signed by Sherie Hinton Henry)*

SHERIE HINTON HENRY  
Acting Deputy Administrator  
for Operations and Management

EXPIRATION DATE:  
May 31, 2001

FILING INSTRUCTIONS:  
Administrative/Other Programs

April 17, 2001

SUBJECT: Use of Purchase Card Convenience Checks

TO: National Office Officials  
Rural Development State Directors

Effective today, your authority to use Convenience Checks to make Spot Cash Awards is rescinded. This authority is temporarily suspended in an attempt to ensure that legal propriety of such convenience check use is examined by the Department. Although the checks were intended to be used as a medium for small purchases, Departmental Regulation 5013-6 currently permits their use for cash awards. However, in many instances payroll taxes were not deducted and reported, resulting in the preparation of an incorrect W-2 Form, Wage and Tax Statement, and underpayment of tax liabilities.

Until further notice, discontinue the use of convenience checks for cash awards under any purchase card issued by Rural Development. Further information will be distributed as soon as it is received.

*(Signed by Sherie Hinton Henry)*

SHERIE HINTON HENRY  
Acting Deputy Administrator  
for Operations and Management

EXPIRATION DATE:  
January 1, 2002

FILING INSTRUCTIONS:  
Administrative/Other Programs

SENT VIA FAX HUB BY SSD ON 04-18-01 AT 10:45 a.m.

April 16, 2001

SUBJECT: Workforce Recruitment Program for College Students  
with Disabilities

TO: National Office Officials, RHS, RBS, RUS  
Rural Development State Directors

The U. S. Department of Agriculture has been invited to participate in the 2001 Workforce Recruitment Program for College Students with Disabilities (WRP). The WRP is a recruitment and referral program that provides a systematic review of applications from college students and recent college graduates with targeted disabilities for employment. To be eligible for this program, the students must have a targeted disability, be enrolled in a college or university working toward a degree or certificate, and be interviewed by a WRP recruiter.

The WRP is cosponsored by the President's Committee on Employment of People with Disabilities and the Department of Defense. In a memorandum dated October 16, 1999, a nationwide commitment was issued by the President to increase the employment of people with disabilities, including disabled veterans. Diversity Specialists estimate that as much as 37 percent of employees in the workforce of the future will be individuals with disabilities.

There are more than 1,300 students available for summer, temporary, student educational or permanent employment. The information on each student is available on a summary sheet. Almost all students on the database will be eligible for appointments under one of the special excepted authorities for persons with disabilities.

There will be adaptive technology services available for summer hires (e.g., telecommunication devices for individuals who are deaf and braille printers, screen readers, and other reading devices for individuals who are blind). Sign language interpreter services are also available in some locations. For more information on these services, you may contact the Computer/Electronic Accommodations Program (CAP) at (703) 681-8813.

EXPIRATION DATE:  
December 31, 2001

FILING INSTRUCTIONS:  
Administrative/Other Programs

There will be a limited amount of housing available for students employed in the Washington, D.C. area. Once a firm job offer has been made to a student, the student can contact the Housing Coordinator who will assist them in choosing and contacting a housing facility. There is no guarantee that housing will be available, so housing arrangements will need to be made immediately. The cutoff date for housing is May 5, 2001. Any students hired after this date must make their own housing arrangements. The Housing Coordinator is:

Ms. Diane Levesque  
Voice: (703) 697-7851  
Fax: (703) 695-4919  
E.mail: levesqud@pr.osd.mil

For managers in field offices, low-cost housing should be identified for the employees. The cost of the housing is the employee's responsibility.

If you are interested in using the Workforce Recruitment Program, please complete the attached request application and fax it to Junius W. Scott, Personnel Management Specialist, at (202) 692-0295. If you have any questions, please call him at (202) 692-0199.

*(Signed by Diana Shermeyer)*

DIANA SHERMEYER  
Director  
Mission Area Personnel Services Division

Attachment

**WORKFORCE RECRUITMENT PROGRAM**  
**USDA Request for Position**

Summer Position Title: \_\_\_\_\_ Series/Grade: \_\_\_\_\_

Office Location: \_\_\_\_\_

Is the office accessible by public transportation?: \_\_\_\_\_

Job Duties/Responsibilities: \_\_\_\_\_

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Required Knowledge, Skills, and Abilities:

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If you previously participated in this and like to request the same student (if available),  
please indicate student's name:

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Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Fax Number: \_\_\_\_\_

Please fax form to: \_\_\_\_\_ (insert name) Agency  
Disability Employment Program Manager, \_\_\_\_\_ at  
(    ) \_\_\_\_\_.

SUBJECT: Separations from Rural Development in Calendar Year 2000

TO: National Office Officials  
Rural Development State Directors

DATE: April 11, 2001

In an attempt to assist you with your work force planning, Human Resources has run reports of separations by type of separation, by organization, by sex, by race, by disability status, and by grade level (copy attached). This information, while historical, may help you evaluate the need for hiring or employee development in your agency or State.

The retirement separation information in these reports may be useful in comparison with the retirement reports which project retirement eligibility for five years which were issued in Spring of 2000.

If you have further questions regarding this information, please contact Diana Shermeyer on  
(202) 692-0219.

*(Signed by Sherie Hinton Henry)*

SHERIE HINTON HENRY  
Acting Deputy Administrator  
Operations and Management

Attachment (available only in distributed hard copy)

EXPIRATION DATE:  
April 30, 2002

FILING INSTRUCTIONS:  
Administrative/Other Programs

April 10, 2001

SUBJECT: "Crossing the Bridge to Self-Employment"  
A Federal Microenterprise Resource Guide

TO: State Directors, Rural Development

ATTN: Business Programs Directors

The Rural Business-Cooperative Service has been an active member of the Interagency Workgroup on Microenterprise Development (Workgroup). Over the past year, the Workgroup has developed a microenterprise resource guide; a copy is attached for your information. Please note that our Business Programs "Overview" begins on page 6, a case study from Delaware begins on page 40, and the State Offices are listed beginning on page 74. We have a very limited supply of these guides available. If you have need for a second copy, please contact my office directly, (202) 720-7287, and we will distribute on a first-come first-served basis.

*(Signed by William F. Hagy III)*

WILLIAM F. HAGY III  
Deputy Administrator  
Business Programs

Attachment

Distributed by hard copy by DABP only.

EXPIRATION DATE:  
April 30, 2002

FILING INSTRUCTIONS:  
Community/Business Programs



April 9, 2001

SUBJECT: Administrative Budget Teleconference

TO: Rural Development State Directors

ATTN: Administrative Program Directors

A teleconference has been scheduled for **Tuesday, April 17, 2001, from 2:00 p.m. to 3:00 p.m. EST.** To connect to the teleconference, please call **202-554-0199**. The access code is 2025 followed by the pound (#) sign. A total of 55 lines have been made available for this call, so please maximize the number of employees calling from each location.

The purpose of the teleconference is to discuss issues related to the FY 2001 administrative budget and the implementation/conversion to the Foundation Financial Information System (FFIS). All State personnel who perform work on administrative budgets and/or FFIS for your area are encouraged to participate.

If you have issues of a general nature that you would like to have addressed, please relay your **requests no later than COB Friday, April 13, 2001**. General administrative budget issues may be sent to Rob Nelson at [rnelson@rdmail.rural.usda.gov](mailto:rnelson@rdmail.rural.usda.gov). Issues relating to FFIS may be sent to the Fiscal Control Branch at [fcf@stl.rural.usda.gov](mailto:fcf@stl.rural.usda.gov). Due to time constraints, we may not be able to address specific questions regarding your State that do not pertain to the mission area as a whole.

Please call Rob Nelson at 202-692-0227 if you have any questions regarding the teleconference.

*(Signed by Deborah B. Lawrence)* (for)

ANN B. DILL  
Director  
Budget Division

EXPIRATION DATE:  
April 30, 2001

FILING INSTRUCTIONS:  
Administrative/Other Programs

Sent by Electronic Mail on 4/9/01 at 4:10 p.m. by BD.

April 9, 2001

SUBJECT: Administrative Budget Teleconference

TO: National Office Officials

A teleconference has been scheduled for **Wednesday, April 25, 2001, from 10:00 a.m. to 11:00 a.m. EST**. The Teleconference Center in **Room 1605-S** has been reserved for use by employees in the South Building and the Whitten Building in Washington, DC. Only employees at other locations may dial into the teleconference by calling **202-401-8756**. A total of 20 lines are available, so employees are urged to maximize the number of employees calling from each location to ensure access for everyone who wants to attend.

The purpose of the teleconference is to discuss issues related to the FY 2001 administrative budget and the implementation/conversion to the Foundation Financial Information System (FFIS). All National Office personnel who perform work on administrative budgets and/or FFIS for your area are encouraged to participate.

If you have issues of a general nature that you would like to have addressed, please relay your requests **no later than COB Friday, April 20, 2001**. General administrative budget issues may be sent to Rob Nelson at [nelson@rdmail.rural.usda.gov](mailto:nelson@rdmail.rural.usda.gov). Issues relating to FFIS may be sent to the Fiscal Control Branch at [fcf@stl.rural.usda.gov](mailto:fcf@stl.rural.usda.gov). Due to time constraints, we may not be able to address specific questions regarding your area that do not pertain to the mission area as a whole.

Please call Rob Nelson at 202-692-0227 if you have any questions regarding the teleconference.

*(Signed by Deborah B. Lawrence)* (for)

ANN B. DILL  
Director  
Budget Division

EXPIRATION DATE:  
April 30, 2001

FILING INSTRUCTIONS:  
Administrative/Other Programs

Sent by Electronic Mail on 4/9/01 at 4:05 p.m. by BD.

April 9, 2001

**SUBJECT:**    **ATake Our Daughters To Work Day®**

**TO:**    Rural Development National Office Employees

On Thursday, April 26, 2001, Rural Development will participate in **ATake Our Daughters To Work Day®**. This year's theme is **AGirl Force of Today is the Work Force of Tomorrow®**. Across the nation, employers are hosting a variety of educational activities to educate young women.

Since 1992, the Ms. Foundation for Women has set aside the fourth Thursday of April to bring girls and young women into the workplace. This day is dedicated to building self-esteem and inspiring career visions in young girls, between the ages of 9 and 15. It provides an opportunity to help young girls realize their own career potential. Although, this event is geared towards young girls, boys are not excluded and encouraged to participate.

The USDA, Office of Civil Rights, Employment Compliance and Technical Assistance Division will host the morning events. The day is scheduled to begin with a visit to the parent or host's office. An opening ceremony will be held at 9:30 a.m. in Room 107-A, Jamie L. Whitten Building. Secretary Ann Veneman has been invited to provide remarks. A number of USDA Agencies, including Rural Development, will have exhibits on the patio, immediately following the Opening Ceremonies. The exhibits will close at Noon.

Last year, more than 150 children enjoyed the opportunity to experience a day **Aat work®** at the USDA headquarters complex. I encourage you to use this opportunity to invite young people to join you at the Department's ceremony and exhibition. Be sure to have planned activities for the young person(s) that you host while they are in your work area.

EXPIRATION DATE:  
May 31, 2001

FILING INSTRUCTIONS:  
Administrative/Other  
Programs

If you are interested in inviting a child to the Department, please complete the attached form and return it on or before **April 18, 2001**, to: Ms. angela corley, Civil Rights Staff, Mail Stop 0703 or by Fax at (202) 692-0008. Thank you for your support and participation.

*(Signed by Sherie Hinton Henry)*

SHERIE HINTON HENRY  
Deputy Administrator for  
Operations and Management

Attachment

Sent by Electronic Mail on 04-09-01 at 2:55 p.m. by CRS.

U.S. Department of Agriculture  
Participant Registration Form

*ATake Our Daughters To Work Day®  
Thursday, April 26, 2001*

This day is dedicated to building self-esteem and inspiring career visions in young girls, between the ages of 9 and 15. It provides an opportunity to help young girls realize their own career potential. Although, this event is geared towards young girls, boys are not excluded and encouraged to participate.

*(Please type or print in dark ink)*

**NAME OF EMPLOYEE:**

**AGENCY/DIVISION:**

**OFFICE MAILING ADDRESS:**

**PHONE NUMBER: (     )**

**STUDENT NAME:**

**AGE:** \_\_\_\_\_

**GRADE:** \_\_\_\_\_

**SCHOOL NAME:**

**SCHOOL ADDRESS:**

**If you need an accommodation to participate in this program, please let us know by April 20, 2001. A sign language interpreter is scheduled. If you need any other accommodation, please specify\_\_\_\_\_.**

\_\_\_\_\_  
**Employee's Signature**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Approval of Supervisor**

\_\_\_\_\_  
**Date**

Please return this form on or before **Friday, April 18, 2001**, to:

Ms. angela r. corley  
Equal Employment Specialist  
Rural Development, Civil Rights Staff  
Mail Stop 0703 or by **Fax (202) 692-0008**

If you have any questions, please contact Ms. angela r. corley at (202) 692-0094

April 6, 2001

TO: All State Directors  
Rural Development

ATTENTION: Program Directors, Rural Development Manager,  
Community  
Development Managers

FROM: James C. Alsop *(Signed by James C. Alsop)*  
Acting Administrator  
Rural Housing Service

SUBJECT: Fiscal Year (FY) 2000 Management Control Review  
(MCR) of the Section 504 Loan/Grant Program

Management Control Review reports for FY 2000 were issued December 1, 2000 to all State Offices. The purpose of this memorandum is to address concerns raised as a result of the FY 2000 Management Control Review for the Section 504 loan/grant program. The Single Family Housing Section 504 loan/grant program was reviewed in four States during FY 2000 as part of the MCR process. Also, casefiles from six additional States were included in the reviews. The Program Support and Civil Rights Staffs participated in this review. State and Area Offices are to be commended for assisting very low-income eligible homeowners to repair, improve or modernize their homes and make their homes safe by removing health and safety hazards.

EXPIRATION DATE: April 30, 2002

FILING INSTRUCTIONS:  
Housing Programs

State Directors and Program Directors are asked to immediately review the content of the MCR report issued December 1, 2000 and to ensure that Area and local Office staffs are given copies of the report for the Section 504 program. State Directors are asked to implement the recommendations contained therein to provide guidance and clarity regarding the concerns found in this report. Based upon concerns raised in the MCR, we are requesting that Section 504 training should be conducted with other planned Single Family Housing training no later than June 1, 2002. The areas of concern from the MCR are loan/grant processing, property requirements, credit requirements, budget analysis, underwriting, disbursement of loan/grant funds, specification writing, construction contract process/construction standards and civil right issues. The Single Family Housing Direct Loan Division is in the process of revising 7 CFR 3550 Direct Single Family Housing Loans and Grants and its handbook. For training purposes, Attachment I provides "Guidance for Writing 504 Repair Specifications" and Attachment II contains some examples of specification language for typical Section 504 repairs.

**States may obtain the report from the Rural Housing Service Intranet Site at (<http://teamrd.usda.gov>).** In addition to the concerns noted, the following issues should be addressed:

1. All State Offices are to use the nondiscrimination statement cited in the Under Secretary's memorandum dated March 8, 2000. The memorandum was titled "Equal Opportunity Public Notification Policy" and the Departmental Regulation Number was 4300-3. This memorandum establishes policy to ensure positive and continuing notification of USDA equal opportunity to the public. Copies of this memorandum may be obtained either through the State's Civil Rights Coordinator or Civil Rights Manager.
2. The State issuance mentioned above should direct local/area offices to update their lists of minority, non-minority, disability leaders and groups, non-profit organizations, news media, and other outreach sources in their area. Local Offices are requested to evaluate their loan making activity of the community they serve, determine if minority/nonminority populations are being adequately served, and if not, take action to prevent future inconsistencies.

If you have any questions regarding the contents of this memorandum, please contact Gloria Denson of the Single Family Housing Direct Division at (202) 720-1487.

Attachments

## **GUIDANCE FOR WRITING 504 REPAIR SPECIFICATIONS**

### **Specification Language**

A good repair specification is the key element in preventing misunderstanding between the Agency, applicant and contractor in the Section 504 loan/grant program. Just what are specifications? In very simple terms, specifications are written instructions to the contractor containing information about the equipment, standards, quantity, quality, size, grade, style, model number and workmanship for the repair job. Each item must be described in specific detail to clearly identify the work and materials to be furnished. Repair specifications are generally not well understood by the average Section 504 applicant, and often are not given sufficient attention by the contractor.

The specifications are important repair documents for several reasons:

- First, the total cost of the repair work is based upon the quality and workmanship expressed in the specifications. They tell the contractor what is wanted and expected in the repair of the dwelling, and the contractor supplies the cost for producing the desired results.
- Second, the specifications are a record of the type and quality of materials that the contractor is required to use on the job. What is documented in the repair specifications can be the Agency's and applicant's protection against the substitution of lesser quality materials and equipment.
- Third, the specifications are assurance that all bidders are costing out the dwelling repairs using similar materials, equipment and workmanship. This should reduce the possibility that the "lowest bidder" is planning to use materials, equipment and workmanship that are inferior to those planned by other bidders.

A good Section 504 repair specification is one containing the fewest words that can be used to complete the instruction and make sense. The wording should be clear, correct and concise. A clear expression of an idea requires effective language. Clarity is best achieved using the language of everyday conversation.



**Examples:**

1. In most specifications the imperative mood is preferred:

Contractor shall install lighting fixtures which will be furnished by owner

OR

Install light fixtures furnished by owner.

2. Exact meaning of words in specifications is critical; Example: Any/all These words have different meanings. "Any", when used as an adjective, implies a limited number selected at the discretion of the reader. Consider the following with the reader being the contractor.

"Repair any cracks" has one meaning. The contractor may repair any cracks of his choice.

"Repair all cracks" has another meaning. The contractor must repair every crack.

3. **REMOVE & REPLACE:** Although the intent would seem reasonably clear, the words literally require the windows to be removed and same windows to be replaced.

**POOR:** Remove and replace all windows.

**BETTER:** Remove all windows and replace with new windows of the same dimensions.

4. "The work consists of" should read, "the work includes. . .
5. "Provide and install" should read "install" if the material is not in contract.
6. "Either/Or" and "And/Or" should not be used.
7. "Paint either side" should read "paint both sides."
8. Material should always "conform to" and workmanship should always "be in accordance with" requirements.
9. Avoid abbreviations. Use them only when certain that all the readers will understand them. The abbreviations "ft." and "in." save only 1 letter if the

period is counted. It is better to write the words symbolizing dimensions. When using the symbol for feet and inches, be aware that there is a risk of error resulting from misreading the symbol or in the typing/retyping process.

10. Do not use the expression "etc.", it is too indefinite for the purpose.
11. Use the term "or equal" with caution.
12. The specifications are directed to the repair contractor, the use of sentences beginning with "the contractor shall" .....is repetitious, unnecessary and should be avoided. It is never proper to refer to a sub-contractor in a specification.
13. Avoid the verb "is to be." It lacks command and can lead to ambiguity.

POOR: Adhesive is to be spread with a notched trowel.

BETTER: "Spread the adhesive with a notched trowel."

14. Specify stock articles and standard sizes where ever possible.
15. Avoid specifying requirements that will not, or cannot, be enforced.
16. When drawings accompany specifications, use words in the specifications that are identical to those on the drawings. For example, if a joint is noted as sealed on the drawings, do not specify it to be caulked in the specifications. The joint on the drawings should be noted as caulked.

In addition to the repair specification, a warranty covering materials and workmanship for a minimum of one year should be written into each repair contract. Always require product and equipment warranties (or copies) for the file. The name and address of the party who will honor the warranty (contractor, distributor or manufacturer) must be identified.

In writing repair specifications, be thorough and complete, specify everything included in the overall scope of work. A contractor cannot be expected to provide items not specified.

**NOTE:** The above examples are taken from "Specification Writing for Rehabilitation" a course offered by the Community Revitalization Training Center in Columbus, OH.

## **EXAMPLES OF SPECIFICATION LANGUAGE FOR TYPICAL SECTION 504 REPAIRS**

**NOTE:** The following are examples of the typical level of detail expected for some common Section 504 repair items. Your specific repair situation may be different in terms of materials, equipment, quality and quantity being specified. Geographical location may also dictate other acceptable and comparable specification language used for typical repairs in your area. However, the following examples demonstrate clear, correct and concise language in giving instructions to potential Section 504 repair contractors.

### **Roof Covering**

#### **Remove Existing Roofing and Install New**

Remove existing roofing and pile neatly and haul away immediately. Check sheathing and replace as required. Install new 15 pound felt and 235 pound Class A labeled fiberglass strip 3 tab self sealing shingles warranted by the manufacturer for 20 years. Include 100 feet of metal drip edge. Owner to select color.

\$ \_\_\_\_\_ for 1064 square feet (11 squares) roofing shingles and 100 feet of metal drip edge

\$ \_\_\_\_\_ for \_\_\_\_\_ square feet of roof sheathing

#### **Install Roll Roofing**

Install new 90 pound mineral surfaced roll roofing with 19 inch selvege. Install metal edge strip. Cement all top and end laps.

\$ \_\_\_\_\_ for 590 square feet of roll roofing

#### **Install Sheathing**

Install new sheathing. Use new 1/2 inch C.D.X. plywood or approved equal. Fasten to rafters according to manufacturer's specifications.

\$ \_\_\_\_\_ 1654 square feet of sheathing

### **Guttering and Downspouts**

#### **Guttering**

Install new white aluminum seamless or section, K type, joined by connector, installed with slight pitch (approximately 1/16 inch per foot) to downspout, secured with spikes and ferrules at 4 feet centers, and all joints secured with metal screws and caulked.

\$ \_\_\_\_\_ 110 linear feet of gutters

## Downspouts

Install new aluminum downspouts with elbows (diverted out) 6 inches above ground level with concrete splash blocks to direct flow away from house. Downspouts shall be secured to siding with metal straps no more than 36 inches apart and all joints and connections secured with metal screws.

\$ \_\_\_\_\_ 4 downspouts and 4 splash blocks

## Doors and Windows

### Exterior Door Replacement

Replace exterior front and rear doors with new metal clad pre-hung door assemblies. Doors to be same size as existing doors, have rigid insulated core, durable magnetic weather-stripping and three butt hinge. Front exterior door, six panel with peephole. Rear exterior door, 9 lite door with insulated glass. Door assembly equal to Stanley or Benchmark. Trim equal to Stanley or Benchmark in quality. Trim interior and exterior door frames to match existing trim.

\$ \_\_\_\_\_ Two exterior doors. (could have cost for each door)

### Locksets

Install new locksets on front and rear exterior doors, using medium price Schlage or equal. All locks keyed alike.

\$ \_\_\_\_\_ Two locksets

### Replace Existing Windows

Remove 8 existing wood window assemblies and replace with new vinyl double pane, double hung white or off-white replacement window assemblies, equivalent to Winco, Malta, or Andersen in quality. At least one window in each sleeping rooms shall have a sill height of not more than 44 inches above the floor and have a net clear opening of 5.7 square feet. The minimum net clear opening height shall be 22 inches. The minimum net clear opening width shall be 20 inches. Windows shall be installed in accordance with manufacturer's instructions.

Windows shall require no painting, be maintenance free, and resist decay

\$ \_\_\_\_\_ Remove wood windows and install eight new vinyl replacement windows

## Exterior Siding

### Install New Exterior Vinyl Siding

Remove all existing siding (damaged or decayed). Clean and prepare the surface for application in accordance with the manufacturer's instructions. Install new vinyl siding 44 mil. thickness, and double 4 inch lap. Vinyl siding shall comply with

ASTM D3679 standard for Rigid Polyvinyl Chloride, ASTM D1435 standard for weathering, E84 fire test rating, BOCA Research Report No.89-36, ICBO Research Report N..4072 and SBCCI No. 9951. (use latest standard and research report numbers). Install accessories for vinyl siding in accordance with manufacturer's instructions.

Provide color samples for selection and approval by owner.

\$ \_\_\_\_\_ Install 13 squares (1,281 square feet) of new exterior vinyl siding

### **Mechanical Equipment**

#### **Install New Water Heater**

Remove existing gas water heater and replace with new 40 gallon capacity, automatic, gas fired, fast recovery, vertical storage type water heater. Water heater to be glass lined welded steel with single flue passage, flue baffle and draft hood, thermally insulated with corrosion-resistant steel jacket, baked-on enamel finish, automatic water thermostat and built-in gas pressure regulator, cast iron or steel metal burner, safety pilot and thermocouple.

\$ \_\_\_\_\_ Remove existing water heater and install new 40 gallon capacity gas water heater

#### **Install New Furnace**

Remove existing furnace and install new 225 MBH output (thousand BTU's per hour) 90% plus efficient gas forced air self contained furnace, with electric ignition, packaged, factory assembled, pre-wired unit consisting of cabinet, supply fan, heat exchanger, burner or heater and air filter.

\$ \_\_\_\_\_ Install new furnace

### **Electrical**

#### **Install 100 amp Service**

Install new 100 amp. 3 wire service complete with breaker type panel box with all circuits labeled and balanced. Leave provision for 4 or more additional circuits. Provide separate appliance circuit in kitchen and laundry. Square D, Pushomatic or equal. Installation to include disconnecting and disposal of old fuse box. All new materials and installations to meet the (year) edition of the National Electric Code.

\$ \_\_\_\_\_ Install new 100 amp. service

#### **Replace Lighting Fixture**

Remove existing fixture in dining room and replace with new fixture. Check and repair all defective ceiling wiring. \$30.00 fixture allowance. Owner to select style of new fixture.

\$ \_\_\_\_\_ Replace lighting fixture

#### Smoke Detector

Provide and install one new Honeywell, Nutone, or equivalent 110 volt, smoke detector, with built-in battery back up, on or near ceiling in the bedroom area without disconnect switch, permanently mounted to standard electrical outlet or junction box. Test and certify same.

\$ \_\_\_\_\_ Smoke detector

#### Thermal and Moisture Protection

##### Add Insulation

Provide additional fiberglass insulation, or equivalent, to bring total ceiling R-value to a minimum of R-33, including insulation over the access door to the attic. Provide certification of type and R-value. Provide a minimum 2 inch positive air flow between insulation and underside of roof sheathing in rafter spaces when using loose insulation.

\$ \_\_\_\_\_ Add additional insulation

#### Landscaping and Site Improvements

##### Grading

Grade lot to drain away from the dwelling in all directions. Minimum grade from house in each direction for first 10 feet is 5% (6 inch drop in 10 feet).

\$ \_\_\_\_\_ Grading

April 6, 2001

SUBJECT: Program Loan Cost Allocation Fiscal Year 2001  
Business Programs

TO: State Directors, Rural Development

ATTN: Business Programs Directors

This memorandum provides information concerning projected fiscal year (FY) 2001 program loan cost allocations for Business Programs. The total allocation for program loan costs was divided into six nontransferable program expense accounts. Below are the annual program loan cost expense funds available for Business Programs, and an explanation of the loan cost allocations is provided in Attachment A.

**Annual Appropriation/Appportionment**

1. Nonrecoverable Program Costs - \$40,000
2. RBIL Guaranteed Financing Account - Recoverable - \$200,000
3. RDIF Liquidating Account (B&I Allocation) - Recoverable - \$201,000
4. RDLF Direct Financing Account - Recoverable - \$10,000
5. RDLF Liquidating Account - Recoverable - \$57,000
6. RDIF Business and Industry Direct Financing Account - Recoverable - \$75,000

All program loan cost funds will be held in the National Office. Any state needing to process a program loan cost expense must submit a request to the National Office to obtain funding. The National Office will monitor fund requests for each program expense account to prevent obligations and disbursements over the designated allocations in each of the accounts.

EXPIRATION DATE:  
September 30, 2001

FILING INSTRUCTIONS:  
Community/Business  
Programs

You should submit a request by completing Attachment B and returning it to the National Office, Attention: Sylvia Neal, Business Programs (facsimile (202) 690-3808). Each request should include supporting documentation such as previous approvals, vouchers, and a brief written explanation of the need for funds.

Please refer to the current Exhibit D of RD Instruction 2024-A, "Program Loan Cost Expenses," to fully understand where specific contractual and noncontractual program loan cost expenses should be charged, if the cost is recoverable or nonrecoverable, and what authorization is required. If program authority is required, specific information describing the situation must be furnished in order for program authority to be obtained at the National Office level.

If you have any questions concerning these procedures, please contact Sylvia Neal, Business Programs, (202) 720-2811.

*(Signed by William F. Hagy III)*

WILLIAM F. HAGY III  
Acting Administrator  
Rural Business-Cooperative Service

Attachments



**RURAL BUSINESS-COOPERATIVE SERVICE  
BUSINESS PROGRAMS**

**AN EXPLANATION OF FISCAL YEAR 2001  
PROGRAM LOAN COST ALLOCATIONS**

The total allocation for program loan costs for Rural Business-Cooperative Service Business Programs is divided into six nontransferable program expense funds, each with its own specific purpose.

The six program expense funds and amounts available in each account are:

1. Nonrecoverable Program Loan Costs.

This account includes nonrecoverable expenses incurred in administering Business and Industry (B&I) Guaranteed and Direct Loans, Rural Economic Development Loans, Drought and Disaster Loans, Disaster Assistance for Rural Business and Industry Loans, and Natural Disaster Loans. This account also constitutes a source of funding for general nonrecoverable expense items incurred in the servicing of Intermediary Relending Program (IRP) loans, EO Co-op loans, and other outstanding loans which were funded through this account by the Department of Health and Human Services before the account was transferred to the former Farmers Home Administration.

2. Rural Business and Industry Loans (RBIL) Guaranteed Financing Account.

This account includes recoverable cost items associated with guaranteed loans and provides a source of funds for servicing loans obligated in 1992 and thereafter.

3. Rural Development Insurance Fund (RDIF) Liquidating Account (B&I Allocation).

This account includes expense items which were identified as recoverable costs. It provides funding for servicing B&I Guaranteed and Direct Loans obligated prior to 1992, and it constitutes the largest recoverable cost account, based on the likelihood of greater servicing requirements for loans in this category.

4. RDLF Direct Financing Account.

This account includes expense items which were identified as recoverable costs and provides funding for servicing direct IRP Loans made in 1992 and thereafter.

5. RDLF Liquidating Account.

This account includes expense items which were identified as recoverable costs and provides funding for servicing RDLF Direct Loans made prior to 1992.

6. RDIF Business and Industry Direct Financing Account.

This account includes expense items which were identified as recoverable costs and provides funding for servicing B&I Direct Loans made in 1996 and thereafter.

See FmHA Instruction 2024A, Exhibit D								Attachment B	
<b>Rural Business-Cooperative Services</b>									
<b>Business Programs</b>									
State:				Account:					
Contract Person:				Fax No:					
Telephone No:									
Program Authority Code (PAC):									
Loan Program				General Purpose					
Program Activity				Detail Description					
Program Authority Required				(Indicate Yes/NO):					
Recoverable				Non-Recoverable					
Description of Request:									
<u>CONTRACTURAL</u>					<u>NONCONTRACTURAL</u>				
Inspections				Environmental					
Appraisal				Advertising					
Analysis and Audits				Real Estate Taxes					
Information Services				Insurance (Including flood)					
Other Services				Other (Explain)					
Maintenance & Management				TOTAL					
Repair/Improvement									
Real Estate Broker				*Attach copies of vouchers and/or documents.					
Environmental				**Indicate the account from which funds are requested:					
Total				Nonrecoverable Program Loan Account					
				RDIF Direct Loan Financing Account					
				RDIF Liquidating Account					
				RDLF Program Account					
				RDLF Direct Loan Financing Account					
				RDLF Liquidating Account					
Concurrence: State Program Director				Date					
Concurrence: Deputy Administrator, Business Programs				Date					
TO BE COMPLETED BY NATIONAL OFFICE:									
Account Balance Prior to this Obligation:									
Initials		Date							

April 5, 2001

SUBJECT: Inter-Agency Agreement with the Farm Credit Administration  
Request for Information

TO: State Directors, Rural Development

ATTN: Business Programs Directors

The Rural Business-Cooperative Service (RBS) is in the final stages of entering into an Inter-Agency Agreement with the Farm Credit Administration (FCA) in which FCA is to evaluate the safety and soundness of non-traditional lenders operations and assure compliance with applicable laws and RBS Business Programs regulations. When executed, a copy of the Agreement will be forwarded to you under separate cover.

In order to complete this task, it is necessary for FCA to have certain background information, which may include information other than that of a non-traditional lender, for comparison purposes. Please send the following information, within 5 business days of receipt of this unnumbered letter, to the attention of Dwight Carmon, Director, Special Projects/Programs Oversight Division, Room 6901 South Agriculture Building, Washington, D.C. 20250-3221, Stop Code 3221:

1. A copy of each lender's Form 4279-8, A Certified Lender Business and Industry Program, along with any other information submitted as part of the lender's application for Certified Lender Program (CLP) status (refer to RD Instruction 4279-A, section 4279.43(c)(1)).
2. Documentation regarding the Agency's approval and (if applicable) revocation of CLP Status. This is to include all information required by RD Instruction 4279-A, section 4279.43, as well as any other written correspondence with the lender.
3. Copies of significant information from the operational file maintained by your office. Include all annual performance reviews (refer to RD Instruction 4279-A, section 4279.43(i)(1) and (2)).

EXPIRATION DATE:  
April 30, 2001

FILING INSTRUCTIONS:  
Proceeding RD Instruction 4279-A

If you do not have any lenders with a CLP status, please provide a negative response.

Any questions concerning this matter are to be directed to Dwight Carmon, Director of the Special Projects/Programs Oversight Division, (202)690-4100.

*(Signed by William F. Hagy III)*

WILLIAM F. HAGY III  
Acting Administrator  
Rural Business-Cooperative Service